

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 450 - SB 764

March 25, 2017

SUMMARY OF BILL: Requires the Department of Correction (DOC) to contract with private probation providers for the supervision of class C, D, and E felons.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – The proposed legislation could result in increased probation revocations, which would increase state incarceration costs. However, due to multiple unknown factors, the extent and timing of any such impacts cannot be reasonably determined.

Assumptions:

- It is assumed for purposes of this fiscal note that the DOC will not reimburse private probation providers for their services. It is assumed that the private probation provider will be compensated through the allowable supervision fee, up to \$60.00 per month, that private probation providers can charge probationers.
- The proposed legislation could reduce the supervision caseload of the DOC. However, the DOC is still statutorily required to supervise probationers.
- Most defendants are found indigent by the courts. It is assumed that the courts will not assign an indigent probationer to a private probation provider. It is assumed that the DOC will continue to supervise indigent probationers.
- Under the proposed legislation, if a probationer does not pay the supervision fee for three consecutive months, or three or more months during a six-month period, then the private probation provider may petition the court for payment of the fees. Unless the court finds that the probationer cannot pay the fee, the court shall order four hours of community service, in addition to repayment of the fees, for each month the probationer did not pay.
- If the probationer does not perform the community service or pay the fee, then the court may infer that the probationer's failure to pay is willful, which will be grounds for revocation of probation.
- The DOC charges a supervision fee of \$45 per month (15 supervision fee + \$30 criminal injury compensation fee).
- Data from the DOC indicates that only 23 percent of supervision fees are collected. In other words, probationers pay their fee less than three months out of six. The DOC generally does not seek revocation of probation for failure to pay the fee.

- Private probation providers' sole source of compensation will come from supervision fees. It is assumed that private probation providers, in contrast to the DOC, will seek revocation of probation for the probationer's failure to pay the supervision fee.
- The proposed legislation could result in increased revocations, which will increase state incarceration costs.
- However, due to multiple unknown factors the impact to state incarceration costs cannot be reasonably determined.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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